



U.S. Department
of Transportation
**Federal Transit
Administration**

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SEP 5 2019

Mr. Andrew S. Robbins
Executive Director and Chief Executive Officer
Honolulu Authority for Rapid Transportation
1009 Alakea Street, Suite 1700
Honolulu, HI 96813

Re: FTA Approval for HART Revised
Recovery Plan

Dear Mr. Robbins:

Thank you for your submission of a revised Recovery Plan dated June 7, 2019, for the Honolulu Rail Project in Honolulu, HI (Project). The Honolulu Authority for Rapid Transportation (HART), the project sponsor, made substantial progress from its initial Recovery Plan submitted in April 2017, when there were significant concerns about HART's ability to complete the project.

HART's June 2019 submission satisfactorily addresses the two concerns FTA identified in its March 29, 2019 letter to HART related to the financial plan. HART's June 2019 Recovery Plan reflects that FTA will not begin to release any of the \$744 million that has been withheld for the project until the cost of the City Center procurement is identified and shown to be within HART's ability to finance it. The June 2019 submittal also reverted to the September 2017 schedule for City funding in which the City will provide fairly even amounts of funding annually through 2031.

FTA, therefore, approves the Recovery Plan as submitted on June 7, 2019. HART must adhere to the actions identified in the Recovery Plan to ensure the project remains within the new revised project cost and schedule estimates. Funding will be released in accordance with the schedule identified in the Recovery Plan, if satisfactory progress continues. FTA will continue to closely monitor the progress of the City Center procurement, which is now anticipated to be awarded by the end of January 2020. As this procurement is the largest risk area related to project cost and schedule, it is important that the procurement remains on schedule.

Please contact me at (415) 734-9471, if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Ted Matley".Handwritten initials "fr" in blue ink.

Ray Tellis

Regional Administrator